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MENTION POUR LA PUBLICATION AU MEMORIALRegistre de Commerce et des SociétésNom de la société : **CLT-UFA S.A.****B6139**

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L – 1543 Luxembourg**

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Luxembourg, le 19 mai 2004

Un mandataire

Registre de Commerce et des Sociétés

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CLT-UFA S.A.

Annual Accounts
for the year ended December 31, 2003

Board of Directors' Meeting on March 16, 2004

Ordinary General Meeting on April 21, 2004

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Directors' report

CLT-UFA S.A. ("CLT-UFA") is controlled by RTL Group S.A. ("RTL Group"), through its 100% affiliate CLT-UFA Holding S.A. which holds 99.7 per cent of the CLT-UFA shares.

<i>In million EUR</i>	<i>2002</i>	<i>2003</i>	<i>%</i>
Operating income	330	304	-8%
Operating charges	(316)	(284)	-10%
Operating result	14	20	44%
Result on ordinary activities	382	1,831	N/S
Exceptional result	3	133	
Result for the financial year	315	1,935	N/S

The net turnover decreased by EUR 19 million compared to 2002 and evolved as follows:

<i>In thousands of EUR</i>	<i>Advertising income</i>		<i>Film rights</i>		<i>Other sales</i>		<i>Total</i>	
	<i>2002</i>	<i>2003</i>	<i>2002</i>	<i>2003</i>	<i>2002</i>	<i>2003</i>	<i>2002</i>	<i>2003</i>
Radio:								
France	143,599	149,113	-	-	2,686	3,249	146,285	152,362
Benelux	8,907	9,456	-	-	-	-	8,907	9,456
Germany	1,499	1,548	-	-	-	-	1,499	1,548
	154,005	160,117	-	-	2,686	3,249	156,691	163,366
Television:								
Germany	-	-	64,302	40,922	31,909	25,798	96,211	66,720
Benelux	5,880	6,176	21,373	22,205	4,813	7,013	32,066	35,394
France	-	-	700	3,123	407	313	1,107	3,436
Other	-	-	1,490	79	756	623	2,246	702
	5,880	6,176	87,865	66,329	37,885	33,747	131,630	106,252
TOTAL	159,885	166,293	87,865	66,329	40,571	36,996	288,321	269,618

Operating income decreased slightly in 2003 to EUR 304 million (2002 – EUR 330 million), primarily due to reduced income from film rights' trading, partly compensated by increased advertising income of RTL Radio by EUR 6 million.

Operating charges decreased significantly to EUR 284 million (2002 – EUR 316 million) primarily due to lower amortisation charges on (co)productions and audiovisual rights (EUR 32 million against EUR 50 million in 2002) and to the decrease of other external charges (EUR 159 million against EUR 169 million in 2002).

Income from participating interests amounts to EUR 407 million (2002 – EUR 261 million). In 2003, income from participating interests includes income of EUR 183 received from UFA Film und Fernseh GmbH through CLT-UFA's German branch following a transfer of result agreement dated August 7, 2002. The other main contributor to the income from participating interests is RTL/ De Holland Media Groep S.A., Luxembourg.

The total balance sheet increased from EUR 2,462 million to EUR 4,940 million in 2003, mainly due to an increase of EUR 2,603 million in financial assets.

The increase of financial assets mainly relates to the subscriptions in a capital increase of CLT-UFA UK Radio Unlimited (EUR 1,517 million) and in a capital increase of UFA Film und Fernseh GmbH (EUR 1,090 million).

In 2003, CLT-UFA mainly disposed Société Immobilière Bayard d'Antin S.A. which resulted in a net profit of EUR 1.3 billion.

In 2003, the tax charge of EUR 28 million mainly relates to the German branch of CLT-UFA.

Post balance sheet events

CLT-UFA S.A. contributed all the assets and liabilities of its German branch, except shares held in RTL Disney Fernsehen GmbH & Co. KG, RTL 2 Fernsehen GmbH & Co. KG, RTL 2 Fernsehen Geschäftsführungs GmbH and IP Medien Vermittlung für Fernsehen GmbH & Co. KG, to RTL Group Deutschland GmbH in consideration of new shares issued by this company with an effective date as at January 1, 2004.

Profit appropriation

The statutory accounts of CLT-UFA S.A. show a net result for the financial year 2003 of EUR 1,935 million (2002 – EUR 315 million). Taking into account the profit carried forward as at December 31, 2003 of EUR 856 million the profit available for distribution is EUR 2,791 million. The Board of Directors recommends to the General Meeting of Shareholders on April 21, 2004 the distribution of a gross final dividend per share of EUR 2.80 (2002 – EUR 2.45 per share).

If the General Meeting of Shareholders accepts this proposal, CLT-UFA S.A. will distribute for the financial year 2003 a total dividend of EUR 54,071,828 million. The appropriation of the profit will therefore be as follows:

<i>In EUR</i>	
Proposed distribution of profits	54,071,828
Profit to be brought forward	2,736,903,922
Total	2,790,975,750

Significant Litigation

On August 25, 2000, RTL Television (as defined below) filed a complaint in the courts of Amsterdam with regard to a license output agreement dated July 30, 1996 ("Output Agreement") between RTL Television, CLT-UFA, UFA Film und Fernseh (collectively "RTL Television") and Universal Studios International ("Universal"). RTL Television was seeking a declaratory judgment that RTL Television is not obliged under the Output Agreement to license the TV products outsourced by Universal to USA Networks Inc.. The parties ended the court proceedings pursuant to a settlement agreement executed on October 2, 2003.

On August 6, 2003, the Dutch Council of State rendered its decision on the question whether or not CLT-UFA, the Luxembourg license holder and broadcaster of the programmes RTL 4 and RTL 5, and its wholly-owned subsidiary RTL/HMG assisting in the exploitation of the RTL 4 and RTL 5 programme licenses, were subject to Dutch jurisdiction and would consequently have to apply for Dutch broadcasting licenses. The Dutch Council of State held that there is a case of double (i.e. Luxembourgish and Dutch) jurisdiction which prevents the Dutch Media Supervisory Authority ("DMSA") from taking unilateral measures against Luxembourgish based CLT-UFA and RTL/HMG. The Dutch Council of State therefore annulled contrary decisions taken by the DMSA in November 1997 and February 2002 and a judgment of the Amsterdam District Court rendered in June 2002 confirming DMSA's position. The decision of the Dutch Council of State prevents Dutch authorities and courts from unilaterally imposing Dutch media regulation onto RTL 4 and RTL 5 and implicitly confirms the full application of Luxembourgish media law as long as the Grand Duchy of Luxembourg continues to exercise its competence for the supervision of RTL 4 and RTL 5.

In 1999 CLT-UFA and Solomon LeFlore entered into a co-production agreement which was terminated by CLT-UFA in 2002 for failure of LeFlore to perform his obligations under the co-production agreement. In December 2002 LeFlore filed a complaint for damages against CLT-UFA in the Los Angeles Superior Court. LeFlore claims to have suffered damages due to wrongful termination of the co-production agreement in an amount of at least USD 1.5 million and claims to suffer further future damages.

CLT-UFA's Board of Directors is not aware of any other significant litigation.

Outlook

Going into 2004 we continue to remain cautious on how advertising market conditions will develop. Whilst there are the first signs of growth in some of our markets, visibility remains limited and weak consumer confidence and retail sales remain a concern.

We are focused on developing, or maintaining, leadership positions in the markets in which we operate, in terms of both audience and advertising market share. We aim to achieve this based on the creativity of our people and the strength of our programme grids.

We will continue to actively manage our cost base and our cash flow, as we have done successfully since 2001. This will help us to further increase profitability and generate the financial means required to fund further internal and external growth.

Our strategy remains consistent and based upon three themes -geographic expansion, growth and exploitation of diversification revenue streams and development of the family of channels concept to counter increasing audience fragmentation. We are confident that, as in the past, this strategy will prove itself to be a successful one.

March 16, 2004

The Board of Directors



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To the shareholders of CLT-UFA S.A.:

AUDITORS' REPORT

Following our appointment by the General Meeting of the Shareholders held on April 16, 2003, we have audited the accompanying annual accounts of CLT-UFA S.A. for the year ended December 31, 2003 and have read the related management report. These annual accounts and the management report are the responsibility of the Board of Directors. Our responsibility is to express an opinion on these annual accounts based on our audit and to check the consistency of the management report with them.

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the annual accounts are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the annual accounts. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall annual accounts presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the attached annual accounts give, in conformity with Luxembourg legal and regulatory requirements, a true and fair view of the financial position of CLT-UFA S.A. as at December 31, 2003 and of the results of its operations for the year then ended.

The management report is in accordance with the annual accounts.

Luxembourg, March 16, 2004

KPMG Audit
Réviseurs d'Entreprises



Philippe Meyer



**BALANCE SHEET (in euro)**

		December 31, 2002 EUR	December 31, 2003 EUR
ASSETS	Notes		
Intangible assets:	3.1	19,981,387	8,315,654
(Co)productions and audiovisual rights		16,132,497	7,787,634
Other intangible assets		94,357	367,770
Payments on account and productions in progress		3,754,533	160,250
Tangible assets:	3.2	36,243,213	34,037,028
Land and buildings		25,287,143	23,550,951
Plant and machinery		6,574,235	5,456,190
Other fixtures and fittings, tools and equipment		4,235,974	4,155,029
Payments on account and tangible assets in course of construction		145,861	874,858
Financial assets:	3.3	1,568,045,958	4,170,707,095
Shares in affiliated undertakings		1,218,482,485	3,799,004,615
Loans to affiliated undertakings	3.3.2	90,266,425	90,286,254
Participating interests		46,342,466	46,318,249
Investments held as fixed assets		249,024	249,023
Other loans	3.3.2	212,705,558	234,848,954
FIXED ASSETS		1,624,270,558	4,213,059,777
Stocks:		18,349,222	21,118,084
Audiovisual rights	3.4	18,312,444	21,116,299
Other stocks		36,778	1,785
Debtors:	3.5	809,051,911	698,601,080
Trade debtors		8,050,699	3,614,471
Amounts owed by affiliated undertakings		225,739,580	548,823,866
Amounts owed by undertakings with which CLT-UFA has a participating interest		10,560,814	12,835,232
Other debtors	3.5.2	564,700,818	133,327,511
Cash		5,300,830	6,350,735
CURRENT ASSETS		832,701,963	726,069,899
Prepayments		5,499,321	817,456
TOTAL ASSETS		2,462,471,842	4,939,947,132

The accompanying notes form an integral part of these annual accounts.

**BALANCE SHEET (in euro)**

		December 31, 2002 EUR	December 31, 2003 EUR
LIABILITIES	Notes		
Capital and reserves:	3.6	1,139,407,949	1,406,915,015
Subscribed capital		440,000,000	440,000,000
Legal reserve		44,000,000	44,000,000
Capital gains to be reinvested		-	13,403,409
Capital gains reinvested		67,298,445	53,895,036
Profit brought forward		588,109,504	855,616,570
Provisions for liabilities and charges:	3.7	370,271,927	81,389,722
Provisions for pensions and similar obligations		33,598,614	28,249,863
Provisions for taxation	3.7.2	283,710,264	1,976
Share in losses of participations	3.3	1,160,522	-
Other provisions	3.7.3	51,802,527	53,137,883
Creditors:	3.8	633,111,001	1,511,791,260
Amounts owed to credit institutions		15,254,850	13,347,976
Trade creditors		33,193,885	22,253,966
Amounts owed to affiliated undertakings	3.8.1	573,948,036	1,445,368,430
Amounts owed to undertakings with which CLT-UFA has a participating interest		104,214	5,840,753
Other creditors, including tax and social security		10,610,016	24,980,135
Deferred income		4,861,050	4,491,955
Profit for the year		314,819,915	1,935,359,180
TOTAL LIABILITIES		2,462,471,842	4,939,947,132

**INCOME STATEMENT (in euro)**

	Notes	2002 EUR	2003 EUR
Operating income:		329,980,496	303,561,093
Net turnover	4.1	288,321,441	269,617,789
Other operating income		41,659,055	33,943,304
Operating charges:		(316,139,313)	(283,679,709)
Consumption of programs and stocked audiovisual rights	3.4	(21,437,647)	(22,196,359)
Other external charges	4.2	(169,073,355)	(159,448,905)
Staff costs:	4.3		
Wages, salaries and other employee benefit costs		(34,159,954)	(31,547,202)
Social security costs		(3,717,586)	(3,531,135)
Value adjustments in respect of tangible and intangible fixed assets	3.1 & 3.2	(55,646,482)	(37,222,936)
Value adjustments in respect of current assets, net		775,445	(782,005)
Other operating charges		(32,879,734)	(28,951,167)
OPERATING RESULT		13,841,183	19,881,384
Share in the results from participations		(918,331)	718,114
Income from participating interests	4.4	260,628,024	407,297,081
Income from long-term loans	4.5	20,604,098	41,081,871
Other interest receivable and similar income	4.5	39,431,460	20,232,252
Result on disposals of financial assets, net	4.6	76,103,307	1,341,936,252
Value adjustments in respect of financial assets, net		23,015,431	22,318,188
Interest payable and similar charges	4.5	(50,908,951)	(22,719,285)
RESULT ON ORDINARY ACTIVITIES		381,796,221	1,830,745,857
Exceptional income	4.7	5,235,668	133,432,220
Exceptional charges	4.8	(2,639,958)	(658,792)
EXCEPTIONAL RESULT		2,595,710	132,773,428
Tax	3.7.2	(69,572,016)	(28,160,105)
PROFIT FOR THE FINANCIAL YEAR		314,819,915	1,935,359,180

The accompanying notes form an integral part of these annual accounts.

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Notes to the Annual Accounts for the year ended December 31, 2003

1 GENERAL

CLT-UFA S.A. ("CLT-UFA" or "the Company") is a "société anonyme" incorporated under the laws of Luxembourg on May 30, 1931.

The objects of CLT-UFA are the exploitation of broadcasting licences permissions and authorisations from public authorities for radio and television broadcast stations and/or other communication methods broadcast or not with or without frequency through hertzian transmitter, cable distribution, satellite or by any other means of broadcasting or transmission interactive or not for the local or the international audience by any means of finance or marketing. CLT-UFA is permitted under the terms of the above-mentioned agreements to carry on any similar or complementary activities and to invest in similar companies. The original licence agreement which expired on December 31, 1995, has been renewed until December 31, 2010, by virtue of agreements signed on January 16, 1995, April 26, 1995, December 16, 1996 and July 25, 2000 between CLT-UFA and the Luxembourg Government (Note 5.3).

CLT-UFA holds directly or indirectly investments in several companies. CLT-UFA also produces and exploits directly or indirectly radio stations and TV channels and is active in the field of technical services for TV and radio as well as in the acquisition, the (co)production and the distribution of audiovisual rights mainly through its German branch. Since January 1, 2000, technical TV and radio activities are managed by a fully owned subsidiary, Broadcasting Center Europe S.A..

In accordance with Article 314 of the law of August 10, 1915 (as subsequently amended), CLT-UFA is exempt from the requirement to prepare consolidated accounts and a consolidated management report.

The annual accounts of CLT-UFA are included in the consolidated financial statements of RTL Group S.A., 45, boulevard Pierre Frieden, Luxembourg. Bertelsmann AG, Carl-Bertelsmann-Strasse 270, D-33311 Gütersloh, Germany is the ultimate company including CLT-UFA in its consolidated financial statements.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 *General principles*

The annual accounts of CLT-UFA are prepared in accordance with current Luxembourg legal and regulatory requirements, in particular the law of May 4, 1984 that conforms with the European Community Fourth Directive. The books and records are maintained in euro (EUR) and the annual accounts have been prepared in accordance with the valuation rules and accounting policies described below.

All monetary amounts in the notes are in euro unless otherwise indicated.

2.2 *Changes in accounting policies*

- As from January 1, 2003, the Company has decided to modify the accounting treatment relating to the unrealised exchange gains resulting from:
 - the translation at year end of the assets (other than fixed assets) and liabilities denominated in other currencies than EUR;
 - the revaluation at year end of the foreign currency derivative contracts.

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Notes to the Annual Accounts for the year ended December 31, 2003

This change in accounting policy has been adopted in order to reflect more appropriately the effects of the foreign currency management policy of the Company and RTL Group S.A.. The accounting policy adopted as from January 1, 2003, also corresponds to the accounting policy adopted under IFRS for the preparation of the consolidated financial statements of RTL Group S.A..

As from January 1, 2003, the unrealised gains arising from the translation and revaluation of items described above are recognised in the income statement, whereas in the previous accounting years, they were recognised in the income statement only when realised.

As at December 31, 2003, the unrealised gain resulting from the translation of the assets (other than fixed assets) and liabilities denominated in foreign currencies amounts to 1,718,850 and is recorded in "Other interest receivable and similar income" (with a counterpart in the relevant balance sheet items).

As at December 31, 2003, the unrealised gain resulting from the revaluation of the foreign currency derivative contracts amounts to 463,011 and is recorded in "Other interest receivable and similar income" (with a counterpart in "Prepayments").

The corresponding amounts as at December 31, 2002, had the Company already adopted the revised accounting policy, would have been respectively 1,897,050 and 53,347.

- As from January 1, 2003, the Company has decided to modify the accounting treatment relating to the tax integration performed at the level of RTL Group S.A..

Since January 1, 2001, the Company has been part of a tax integration at the level of RTL Group S.A., including other Luxembourg Group companies. Until December 31, 2002, the Company used to record in its income statement an income tax profit / charge towards RTL Group S.A..

As from January 1, 2003, the Company does not record any income tax profit / charge towards RTL Group S.A., respectively RTL Group S.A. does not record any income tax profit / charge towards CLT-UFA as long as the tax unity will benefit from unused tax losses. The impact of the policy previously adopted by the Company was a tax profit of 767,740 in the 2002 income statement (Note 4.7).

Such change in accounting does not affect the accounting for income tax by the German branch (see 3.7.2).

2.3 *Foreign currency translation*

With the exception of intangible and tangible fixed assets, participating interests as well as certain loans considered as long-term investments that are maintained at the historical rate of exchange, all assets and liabilities denominated in foreign currencies are converted at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate of exchange ruling on the transaction date. As from January 1, 2003, realised exchange gains and losses as well as unrealised exchange gains and losses are recognised in the income statement.

In the context of the management of foreign exchange risks from its operations, CLT-UFA enters into forward foreign exchange transactions with group companies. As from January 1, 2003, unrealised gains and losses arising from such transactions are recognised immediately in the income statement.



2.4 *(Co)productions and audiovisual rights*

(Co)productions and audiovisual rights recorded under intangible assets represent rights acquired in order to grant licenses to broadcasters. They are accounted for at their acquisition cost.

Amortisation is calculated based upon expected revenues. This method consists in amortising the acquisition cost in the ratio of net revenues for the period to anticipated total net revenues. Estimates of anticipated total net revenues are reviewed periodically. If estimated net revenues are below acquisition cost, the book value of the rights is adjusted to the anticipated total net revenues.

Audiovisual rights included in stocks are recorded at acquisition cost and are consumed based on the expected number of transmissions.

The major part of the film broadcasting rights are subject to a contract by which the rights are attributable to TVI S.A., Brussels, which is committed to reimburse the financing charges. On maturity of the rights, this company will take over the non-broadcast rights.

Audiovisual rights are booked as an asset in the balance sheet as at the date of availability of the rights. CLT-UFA records an off-balance sheet commitment for contracts concluded for which the date of availability of the rights has not been reached.

2.5 *Tangible fixed assets*

Tangible fixed assets are capitalised at their acquisition cost. They are depreciated on a straight-line basis over their useful economic lives:

- Buildings	between 10 and 25 years
- Plant and machinery	between 4 and 10 years
- Other fixtures and fittings, tools and equipment	between 3 and 10 years

2.6 *Financial fixed assets*

Shares in affiliated undertakings and participating interests are recorded at acquisition cost. Value adjustments are recorded when in the opinion of the Directors a permanent diminution in value has occurred.

Certain participating interests operate under the legal form of limited partnerships. CLT-UFA records its share of the profits to be distributed or of the losses in its income statement. Such losses are recorded as value adjustments when the financial support is given in the form of an advance to the companies concerned. Surplus losses are booked under the caption "Share in losses of participations".

Dividends from other participating interests are recognised when declared by decision of the General Meeting.

The utilisation of neutralised capital gains (Note 3.6.4) is reflected by transfer from capital gains to be reinvested to the caption capital gains reinvested.



2.7 Receivables

Receivables are stated at their nominal value. Value adjustments are recorded at the end of the financial year if the net realisable value is lower than the book value.

2.8 Payables

Payables are recorded at their nominal value.

3 BALANCE SHEET

3.1 Intangible assets

Intangible assets consist mainly in (co)productions and audiovisual rights which are recorded and amortised according to the policies described in Note 2.4.

In 2003, intangible assets have evolved as follows:

	(Co)productions and audiovisual rights	Other intangible assets	Payments on account and productions in progress	Total
Acquisition cost as at 31.12.2002	277,051,884	3,385,678	3,754,533	284,192,095
Acquisitions and increases	19,688,254	469,969	-	20,158,223
Disposals and decreases	(7,294,314)	(51,557)	-	(7,345,871)
Transfers	3,594,283	-	(3,594,283)	-
Acquisition cost as at 31.12.2003	293,040,107	3,804,090	160,250	297,004,447
Accumulated amortisation as at 31.12.2002	260,919,387	3,291,321	-	264,210,708
Charges for the year	31,627,401	196,556	-	31,823,957
Decreases	(7,294,315)	(51,557)	-	(7,345,872)
Accumulated amortisation as at 31.12.2003	285,252,473	3,436,320	-	288,688,793
Net book value as at 31.12.2003	7,787,634	367,770	160,250	8,315,654

Acquisitions and increases recorded in 2003 for an amount of 20,158,223 (2002 – 41,374,088) include acquisitions of film rights by the German branch for an amount of 19,688,254 (2002 – 38,689,914).

The amortisation expense for 2003 amounts to 31,823,957 (2002 – 49,638,821).

Intangible fixed assets for an amount of 6,041,915 (2002 – 5,360,218) have not yet been paid. The corresponding payables are booked in trade creditors.



3.2 Tangible assets

In 2003, tangible fixed assets have evolved as follows:

	<i>Land and buildings</i>	<i>Plant and machinery</i>	<i>Other fixtures and fittings, tools and equipment</i>	<i>Payments on account and tangible assets in course of construction</i>	<i>Total</i>
Acquisition cost as at 31.12.2002	52,308,846	61,506,935	16,181,039	145,861	130,142,681
Acquisitions	13,911	854,903	1,737,876	808,929	3,415,619
Disposals and decreases	(53,662)	(1,321,341)	(1,031,029)	-	(2,406,032)
Transfers	-	66,532	13,400	(79,932)	-
Acquisition cost as at 31.12.2003	52,269,095	61,107,029	16,901,286	874,858	131,152,268
Accumulated depreciation as at 31.12.2002	27,021,703	54,932,700	11,945,065	-	93,899,468
Charges for the year	1,744,392	2,033,054	1,621,533	-	5,398,979
Decreases	(47,951)	(1,314,915)	(820,341)	-	(2,183,207)
Accumulated depreciation as at 31.12.2003	28,718,144	55,650,839	12,746,257	-	97,115,240
Net book value as at 31.12.2003	23,550,951	5,456,190	4,155,029	874,858	34,037,028

3.3 Financial assets

Shares in affiliated undertakings and the most significant participating interests and loans granted by CLT-UFA as at December 31, 2003 are detailed hereafter.

3.3.1 Investments

In 2003, shares in affiliated undertakings, participating interests and investments held as fixed assets have evolved as follows:

	<i>Shares in affiliated undertakings</i>	<i>Participating interests</i>	<i>Investments held as fixed assets</i>	<i>Total</i>
Acquisition cost as at 31.12.2002	1,248,304,411	46,470,741	2,242,392	1,297,017,544
Acquisitions and capital increases	2,791,894,070	364,189	-	2,792,258,259
Disposals and reimbursements	(190,091,775)	(388,406)	(1)	(190,480,182)
Mergers and liquidations	(41,033,749)	-	-	(41,033,749)
Acquisition cost as at 31.12.2003	3,809,072,957	46,446,524	2,242,391	3,857,761,872
Value adjustments as at 31.12.2002	29,821,926	128,275	1,993,368	31,943,569
Amounts written back	(19,753,584)	-	-	(19,753,584)
Value adjustments as at 31.12.2003	10,068,342	128,275	1,993,368	12,189,985
Net book value as at 31.12.2003	3,799,004,615	46,318,249	249,023	3,845,571,887



The major changes in 2003 are as follows:

<i>Company</i>	<i>Country</i>	<i>Activity/Name of program</i>	<i>Type of operation</i>	<i>Direct % held on 31.12.2003</i>	<i>Amount</i>
Acquisitions and capital increases:					
CLT-UFA UK Radio Unlimited	United Kingdom	Holding UK Radio	Capital Increase	100	1,516,732,636
UFA Film und Fernseh GmbH	Germany	Holding	Capital Increase	95	1,090,000,000
RTL/De Holland Media Groep S.A.	Luxembourg	TV Production and Rights	Acquisition	100	176,000,000
RTL 4 Finance S.A.	Luxembourg	Holding	Acquisition	100	5,200,000
CLT Multi Media GmbH	Germany	Holding	Capital Increase	100	3,000,000
Radio Luxembourg London Ltd	United Kingdom	Radio	Capital Increase	100	882,779
RTL d.o.o.	Croatia	TV Production and Rights	Capital Increase	33	363,000
RTL Group Central and Eastern Europe S.A.	Luxembourg	Holding	Capital Increase	98	49,000
RTL Group Deutschland GmbH	Germany	TV Production and Rights	Capital Increase	100	29,655
RTL2 Ferns. & Gesch. GmbH	Germany	Holding	Acquisition	27	1,189
					2,792,258,259
Disposals and reimbursements:					
Société Immobilière Bayard d'Antin S.A.	France	Holding	Disposal	-	(167,212,848)
CLT-UFA UK Radio Unlimited	United Kingdom	Holding UK Radio	Reimbursement	100	(13,965,663)
Société Nouvelle de Cinématographie S.A.	France	TV Production and Rights	Disposal	100	(8,856,090)
RTL2 Fernsehen GmbH & Co. KG	Germany	TV Production and Rights		27	(374,035)
CLT Hungaria Inc.	Hungary	Holding	Disposal	-	(49,843)
RTL2 Ferns. & Gesch. GmbH	Germany	Holding		27	(14,371)
AVEC Entertainment S.à r.l. & Cie S.E.C.S.	Luxembourg	TV Production and Rights	Disposal	-	(6,303)
RTL/De Holland Media Groep S.A.	Luxembourg	TV Production and Rights	Disposal	100	(1,028)
Contact Sc Franchising SCRL	Belgium	Radio	Disposal	0.1	(1)
					(190,480,182)
Mergers and liquidations:					
RTL4 Holding S.A.	Luxembourg	TV Production and Rights	Merger	-	(151,496,064)
RTL4 Beheer BV	Luxembourg	TV Production and Rights	Merger	-	110,638,764
AVEC Entertainment S.à r.l. & Cie S.E.C.S.	Luxembourg	TV Production and Rights	Liquidation	-	(176,449)
					(41,033,749)

3.3.2 Loans to affiliated undertakings and other loans

Loans to affiliated undertakings and other loans have evolved as follows in 2003:

	<i>Loans to affiliated undertakings</i>	<i>Other loans</i>	<i>Total</i>
Gross amount as at 31.12.2002	96,257,188	212,716,533	308,973,721
Increases	1,605,017,848	22,357,621	1,627,375,469
Reimbursements and decreases	(1,608,206,024)	(213,684)	(1,608,419,708)
Gross amount as at 31.12.2003	93,069,012	234,860,470	327,929,482
Value adjustment as at 31.12.2002	5,990,763	10,975	6,001,738
Charges for the year	33,462	541	34,003
Amounts written back	(3,241,467)	-	(3,241,467)
Value adjustments as at 31.12.2003	2,782,758	11,516	2,794,274
Net book value as at 31.12.2003	90,286,254	234,848,954	325,135,208

On May 19, 2003, CLT-UFA granted a loan of 1,500,000,000 to RTL Group S.A. which in turn granted a loan to UFA Film und Fernseh GmbH. On December 16, 2003, RTL Group S.A. assigned to CLT-UFA the loan facility of 1,500,000,000 provided to UFA Film und Fernseh GmbH.

On December 19, 2003, CLT-UFA assigned to CLT-UFA UK Radio Unlimited the loan facility of 1,500,000,000 provided to UFA Film und Fernseh GmbH. As a consideration thereof CLT-UFA UK Radio Unlimited issued 1,500,000,000 shares with a nominal value of EUR 1 each.

The net amount of loans due within one year is valued at 40 million. The net amount of loans due between one and five years is valued at 285 million.

3.3.3 Detail of financial assets (*)

As at December 31, 2003, the analysis of financial assets is as follows:

SHARES IN AFFILIATED UNDERTAKINGS					LOANS TO AFFILIATED UNDERTAKINGS							
Name of the company	Legal form	Country	Activity / Name of the program	Direct % held	Acquisition cost	Value adjustments	Net	Equity before result for the year	Result of the last exercise closed	Loans	Value adjustments	Net
RADIO SECTOR												
CLT-UFA UK Radio (1)	Unlimited	United Kingdom	Holding UK radio	100	1,515,027,606	-	1,515,027,606	1,500,900,838	(691,316)	-	-	-
Edinradio	S.A.	France	RTL	75	1,076,016	-	1,076,016	(1,017,168)	575,823	-	-	-
Halla World	Spol S.R.O.	Czech Republic	-	75	78,613	(78,613)	-	(976)	(25)	1,283,019	(1,282,738)	261
RTL Ireland	Ltd	Ireland	Atlantic 252	100	6,967	(6,967)	-	(9,944)	37,980	2,394,647	(1,500,000)	894,647
Radio Luxembourg London	Ltd	United Kingdom	-	100	1,173,706	(290,927)	882,779	(1,992,379)	(1,555)	-	-	-
Others	-	-	-	-	308,484	(3,064)	305,420	-	-	-	-	-
TOTAL RADIO SECTOR					1,517,671,392	(379,571)	1,517,291,821	-	-	3,677,666	(2,782,738)	894,908
TV PRODUCTION AND RIGHTS SECTOR												
Broadcasting Center Europe	S.A.	Luxembourg	Technical Services	100	12,491,388	-	12,491,388	15,034,702	5,237,479	-	-	-
CLT-UFA UK Television	Ltd	United Kingdom	Holding British TV	100	89,054,103	-	89,054,103	75,789,847	21,271	-	-	-
Hei Elei Film Productions	S.A.	Luxembourg	Holding production companies	100	16,790,106	-	16,790,106	20,701,194	444,944	-	-	-
RTL / De Holland Media Gneep	S.A.	Luxembourg	RTL4 / RTL5	100	249,965,791	-	249,965,791	77,554,000	12,544,000	-	-	-
RTL 4 Beherer	BV	Netherlands	-	100	110,638,764	-	110,638,764	-	-	-	-	-
RTL 4 Finance	S.A.	Luxembourg	-	100	5,200,000	-	5,200,000	-	-	-	-	-
RTL Group Central and Eastern Europe	S.A.	Luxembourg	-	98	49,000	-	49,000	-	-	-	-	-
RTL Group Deutschland	GmbH	Germany	-	100	29,655	-	29,655	44,152	(4,744)	-	-	-
RTL Plus	S.A r.l.	Luxembourg	-	100	1,666,433	-	1,666,433	1,240,000	116,573	-	-	-
RTL TVL	S.A.	Luxembourg	-	100	5,592,531	(5,592,531)	-	570,495	239,561	-	-	-
Société Nouvelle de Cinématographie	S.A.	France	Holding	100	-	-	-	1,008,000	166,000	-	-	-
TVI	S.A.	Belgium	TV Production and rights	66	2,150,414	-	2,150,414	21,384,221	7,442,937	-	-	-
UFA Film und Fernseh	GmbH	Germany	RTL TVI and Club RTL	95	1,760,593,324	-	1,760,593,324	562,515,452	240,109,846	-	-	-
Others	-	-	Holding	-	80,863	(30,045)	50,818	-	-	-	-	-
TOTAL SECTOR TV, PRODUCTION AND RIGHTS					2,254,302,572	(5,622,576)	2,248,679,996	-	-	-	-	-
CARRIED FORWARD TOTAL RADIO, TV, PRODUCTION AND RIGHTS SECTORS					3,771,973,964	(6,002,147)	3,765,971,817	-	-	3,677,666	(2,782,738)	894,908

(*) A statement of all companies in which CLT-UFA holds more than 20% of the capital is deposited at the Luxembourg companies' registry.
 (1) The share of CLT-UFA in the result of that company is shown in the income statement under the heading "Share in the results from participations" (Note 2.6).

3.3.3 Detail of financial assets (*) (continued)

SHARES IN AFFILIATED UNDERTAKINGS						LOANS TO AFFILIATED UNDERTAKINGS					
Name of the company	Legal form	Country	Activity / Name of the program	Direct % held	Acquisition cost	Value adjustments	Net	Equity before results for the year	Results of the last exercise closed	Loans	Net
BROUGHT FORWARD TOTAL RADIO, TV, PRODUCTION AND RIGHTS SECTORS											
					3,771,973,964	(6,002,147)	3,765,971,817			3,077,666	(2,782,799)
ADVERTISING SECTOR											
IP Luxembourg	Sàrl	Luxembourg	RLL Luxembourg	100	2,988,109	-	2,988,109	2,311,489	1,099,327	-	-
Others				-	89,496	-	89,496	-	-	-	-
TOTAL ADVERTISING SECTOR					3,077,585	-	3,077,585				
OTHER SECTORS											
Société Immobilière Bayard d'Arin	S.A.	France	Holding	100	-	-	-	-	-	50,249,334	-
B & C E	S.A.	Luxembourg	Holding	100	1,485,130	-	1,485,130	15,710,917	246,239	39,142,012	-
CLT Multi Media	GrHH	Germany	Holding	100	7,066,196	(4,066,196)	3,000,001	3,694,596	(6,495,167)	-	-
Synadin	S.A.	Belgium	Holding	100	24,924,863	-	24,924,863	27,453,240	658,714	-	-
Others				-	545,219	-	545,219	-	-	-	-
TOTAL OTHER SECTORS					34,021,408	(4,066,196)	29,955,213			89,391,346	-
GRAND TOTAL					3,809,072,957	(10,068,342)	3,799,004,615			93,069,012	(2,782,799)
											90,286,254

(*) A statement of all companies in which CLT-UFA holds more than 20% of the capital is deposited at the Luxembourg companies' registry.

3.3.3 Detail of financial assets (*) (continued)

PARTICIPATING INTERESTS													LOANS TO UNDERTAKINGS WITH WHICH CLT- UFA HAS A PARTICIPATING INTEREST				
Name of the company	Legal form	Country	Activity / Name of the program	Direct % held	Acquisition cost	Value adjustments	Net	Equity before result for the year	Result of the last exercise closed	Loans	Value adjustments	Net					
M-RTL	Rt.	Hungary	RTL Klub	49	8,845,882	-	8,845,882	41,329,217	9,555,056	-	-	-					
RTL2 Ferns. & Gesch.	GmbH	Germany	RTL2 Holding	27	793,945	(120,348)	673,597	255,646	542,955	-	-	-					
RTL2 Fernsehen (1)	GmbH & Co. KG	Germany	RTL II	27	23,200,384	-	23,200,384	15,338,756	35,110,000	-	-	-					
RTL9 (1)	S.A. & Cie S.E.C.S.	Luxembourg	RTL9	35	1,566,168	-	1,566,168	5,860,215	5,438,788	-	-	-					
RTL Disney Fernsehen (1)	GmbH & Co. KG	Germany	Super RTL	50	3,834,690	-	3,834,690	7,720,892	4,675,492	-	-	-					
RTL	d.o.o.	Croatia	RTL Croatia	33	363,000	-	363,000	-	-	-	-	-					
Others					7,842,455	(7,927)	7,834,528	-	-	-	-	-					
GRAND TOTAL					46,446,524	(128,275)	46,318,249	-	-	-	-	-					
INVESTMENTS HELD AS FIXED ASSETS													OTHER LOANS				
Name of the company	Legal form	Country	Activity / Name of the program	Direct % held	Acquisition cost	Value adjustments	Net	Equity before result for the year	Result of the last exercise closed	Loans	Value adjustments	Net					
Canal 10 (2)	S.A.	Spain		2	55,262	(55,262)	-	-	nc	-	-	-					
Channel 5 TV Group	Ltd	United Kingdom	Channel 5	-	-	-	-	-	-	234,841,725	-	234,841,725					
Film Success International (2)	Ltd	Panama		5	1,938,106	(1,938,106)	-	-	nc	-	-	-					
Luxradio	S.a.r.l.	Luxembourg	Eldorado	18	199,421	-	199,421	(356,839)	5,337	-	-	-					
Others				-	49,602	-	49,602	-	-	18,745	(11,516)	7,229					
GRAND TOTAL					2,242,391	(1,993,368)	249,023	-	-	234,860,470	(11,516)	234,848,954					

(*) A statement of all companies in which CLT-UFA holds more than 20% of the capital is deposited at the Luxembourg companies' registry.

(1) The share of CLT-UFA in the result of that company is shown in the income statement under the heading "Share in the results from participations" (Note 2.6).

(2) The company is in liquidation.



3.4 *Stock of audiovisual rights*

The detail of programmes and broadcasting rights is as follows:

	2002	2003
Net book value - beginning of the year	17,959,697	18,312,444
Acquisitions and other additions	21,790,394	25,000,214
Consumption of programmes and broadcasting rights	(21,437,647)	(22,196,359)
Net book value - end of the year	18,312,444	21,116,299

3.5 *Debtors*

All debtors are due within one year.

As at December 31, 2003, CLT-UFA has accumulated value adjustments on current asset receivables for an amount of 2,103,027 of which 0 corresponds to its share of losses of fiscally transparent companies (2002 – 1,590,627 of which 0 corresponds to its share of losses of fiscally transparent companies).

3.5.1 *Amounts owed by affiliated undertakings*

Amounts owed by affiliated undertakings increased by 323,084,286 mainly due to:

- an advance of 71,560,000 to Audiomedia Investments S.A., bearing interest at 2.55% and with maturity date in January 31, 2004;
- an increase of amounts owed by UFA Film und Fernseh GmbH by 239,922,081.

3.5.2 *Other debtors*

Other debtors include accumulated gross tax credits of the German branch for an amount of 130,393,390 (2002 – 563,227,350) (Note 3.7.2).



3.6 Capital and reserves

3.6.1 Changes in the capital and reserves

	Subscribed capital	Legal reserve	Capital gains to be reinvested	Capital gains reinvested	Result brought forward	Result for the year
BALANCE AS AT 31.12.2001	440,000,000	44,000,000	2,870,248	67,298,445	143,785,313	478,119,083
Allocation of 2001 results	-	-	-	-	478,119,083	(478,119,083)
Dividends	-	-	-	-	(33,794,892)	-
End of tax relief	-	-	(2,870,248)	-	-	-
Profit for the 2002 financial year	-	-	-	-	-	314,819,915
BALANCE AS AT 31.12.2002	440,000,000	44,000,000	-	67,298,445	588,109,504	314,819,915
Allocation of 2002 results	-	-	-	-	314,819,915	(314,819,915)
Dividends	-	-	-	-	(47,312,849)	-
Availability of capital gains for reinvestment	-	-	13,403,409	(13,403,409)	-	-
Profit for the 2003 financial year	-	-	-	-	-	1,935,359,180
BALANCE AS AT 31.12.2003	440,000,000	44,000,000	13,403,409	53,895,036	855,616,570	1,935,359,180

3.6.2 Subscribed capital

As at December 31, 2003, the subscribed capital amounts to 440,000,000 and is represented by 19,311,367 shares, all fully paid-up and without designation of nominal value. All shares have equal rights and obligations.

3.6.3 Legal reserve

Under Luxembourg law, 5 per cent of the annual net profits must be credited to a legal reserve until such reserve reaches 10 per cent of the subscribed share capital. The legal reserve is not available for dividend distribution.

3.6.4 Capital gains to be reinvested and capital gains reinvested

Since 1987, the Company has sold certain participating interests and tangible fixed assets and realised capital gains.

Under the relevant fiscal legislation in Luxembourg, certain of these gains are “neutralised”, i.e. non-taxable and are not included in the income statement. The proceeds of the sale of participating interests and tangible fixed assets, on which capital gains were realised, must be reinvested within two years in tangible and/or financial fixed assets.



3.7 Provisions for liabilities and charges

3.7.1 Provisions for pensions and similar obligations

As at December 31, 2002, provisions for pensions and similar obligations included provisions for employees' pensions for Broadcasting Center Europe S.A. and RTL Group S.A. for a total amount of 5,005,134 (Note 4.3).

Indeed, until 2002, the employees of RTL Group S.A. and Broadcasting Center Europe S.A. have benefited from the rights and advantages foreseen by the CLT-UFA complementary pension plan. The provision for employees' pensions was therefore recorded in the books of CLT-UFA. Contributions and pension costs borne by CLT-UFA with regards to RTL Group S.A. and Broadcasting Center Europe S.A. employees were recharged to the related company accordingly.

As from January 1, 2003, each company records a provision for pensions on behalf of their own employees. As a consequence, the provisions for pensions relating to RTL Group S.A. and Broadcasting Center Europe S.A. employees are now recorded in the balance sheet of these companies. Related assets have been transferred accordingly.

The provision for pensions as at December 31, 2003 represents commitments from CLT-UFA towards its own employees and amounts to EUR 28,249,863.

3.7.2 Provisions for taxation

CLT-UFA is taxable in Luxembourg, as well as in Germany through its branch, and has received final tax assessments up to 1998 in Luxembourg and 2001 in Germany.

Tax charges are analysed as follows:

	2002	2003
Income tax	(35,350,023)	(17,540,661)
Municipal business tax	(34,046,473)	(7,377,036)
Others	(175,520)	(3,242,408)
	(69,572,016)	(28,160,105)

The German branch of CLT-UFA benefits from the "Organschaft" system of tax consolidation with UFA Film und Fernseh GmbH. The total fiscal charge for the German branch amounts to 25,031,842 (2002 – 60,243,016).

From January 1, 2001, CLT-UFA is part of a tax unity at the level of RTL Group S.A., including other Luxembourg group companies.



3.7.3 Other provisions

As at December 31, 2003, other provisions mainly represent provisions to cover the operating risks of CLT-UFA and certain subsidiaries. In 2003, additions to provisions net of reversals amounted to 1,335,356 (in 2002, reversal of provisions, net of charges, amounted to 10,818,056).

3.8 Creditors

All creditors are due within one year.

3.8.1 Amounts owed to affiliated undertakings

Movements in amounts owed to affiliated undertakings result mainly from the following items:

- a decrease of the cash pooling balance by 201,375,443, bearing interest at 2.32 % and without maturity date;
- a loan facility of 1,090,000,000 granted by RTL UK Unlimited, bearing interest at 3.57 % and with maturity date January 15, 2009.

On December 29, 2003, RTL UK Unlimited granted a loan facility of 1,090,000,000 to CLT-UFA. CLT-UFA used this loan facility to subscribe, through its German branch, in a capital increase of UFA Film und Fernseh GmbH.

3.8.2 Other creditors

Tax and social security payable amount to 1,527,774 (2002 – 2,178,516).

4 INCOME STATEMENT

4.1 Net turnover

Net turnover evolved as follows:

<i>In thousands of EUR</i>	<i>Advertising income</i>		<i>Film rights</i>		<i>Other sales</i>		<i>Total</i>	
	<i>2002</i>	<i>2003</i>	<i>2002</i>	<i>2003</i>	<i>2002</i>	<i>2003</i>	<i>2002</i>	<i>2003</i>
Radio :								
France	143,599	149,113	-	-	2,686	3,249	146,285	152,362
Benelux	8,907	9,456	-	-	-	-	8,907	9,456
Germany	1,499	1,548	-	-	-	-	1,499	1,548
	154,005	160,117	-	-	2,686	3,249	156,691	163,366
Television:								
Germany	-	-	64,302	40,922	31,909	25,798	96,211	66,720
Benelux	5,880	6,176	21,373	22,205	4,813	7,013	32,066	35,394
France	-	-	700	3,123	407	313	1,107	3,436
Other	-	-	1,490	79	756	623	2,246	702
	5,880	6,176	87,865	66,329	37,885	33,747	131,630	106,252
TOTAL	159,885	166,293	87,865	66,329	40,571	36,996	288,321	269,618



Other sales mainly represent technical and administrative services and the leasing of satellite transponders.

4.2 *Other external charges*

Most external charges are invoiced by affiliated undertakings or undertakings in which CLT-UFA has a participating interest. Significant charges are as follows:

- a) The commercial management of advertising is handled by IP companies (Information et Publicité). In return, CLT-UFA pays a commission on advertising income to these companies. In 2003, the total commission amounts to 38,322,847 (2002 – 37,167,624).
- b) The Ediradio S.A. subsidiary produces a radio news and entertainment programme in French broadcast by CLT-UFA. The cost of these services for 2003 amounts to 55,123,502 (2002 – 58,882,690).
- c) CLT-UFA has incurred charges for leasing satellite transponders for an amount of 3,637,999 (2002 – 3,674,316).
- d) In 2003, CLT-UFA bore costs of 18,953,639 (2002 – 18,691,225) on behalf of an affiliated company, Société Commerciale de Promotion et de Publicité S.A., Paris, for promotional services related to the French radio programme.
- e) The Broadcasting Center Europe S.A. subsidiary provides technical services with regards to production of programmes and broadcasting. The cost of these services for 2003 amounts to 10,144,436 (2002 – 11,464,985).

4.3 *Staff costs*

During 2003, CLT-UFA employed an average of 393 persons (2002 – 373), which include 169 persons in the German branch (2002 – 155). During 2003,

- 43 persons have been transferred to RTL Group S.A.;
- 29 persons have been transferred from RTL Group S.A.;
- 4 persons have been transferred from Broadcasting Center Europe S.A..

Staff costs include external staff costs for an amount of 3,672,727 (2002 – 3,869,896).

Staff costs include contributions to the pension fund for an amount of 3,735,849 (2002 – 3,789,149).

Until December 31, 2002, contributions and pension costs borne by CLT-UFA with regards to former CLT-UFA employees, now employees of both Broadcasting Center Europe S.A. or RTL Group S.A., were recharged to these companies (Note 3.7.1).

4.4 *Income from participating interests*

During 2003, CLT-UFA received dividends from:

- RTL/De Holland Media Groep S.A. for an amount of EUR 100 million;
- UFA Film und Fernseh GmbH for an amount of EUR 51 million.



Income from participating interest also includes 183 million (2002 – 191 million) received from UFA Film und Fernseh GmbH through CLT-UFA's German branch following a benefit transfer agreement dated August 2002. This amount is partially retroceded to RTL Group Verwaltung und Holding GmbH for an amount of 5 million (2002 – 6 million).

4.5 *Financial result*

The financial result is analysed as follows:

	2002	2003
Income from long-term loans	20,604,098	41,081,871
Other interest receivable and similar income	39,431,460	20,232,252
Interest payable and similar charges	(50,908,951)	(22,719,285)
	9,126,607	38,594,838
	2002	2003
Financial interest		
Interest income from affiliated undertakings	15,587,251	33,465,388
Interest income from other financing related parties	455,170	-
Other interest income	12,242,186	8,313,003
Interest expense paid to affiliated undertakings	(32,053,854)	(18,078,367)
Other interest paid	(4,656,919)	(418,062)
Financial interest, net	(8,426,166)	23,281,962
Foreign exchange operations		
Realised exchange gains	31,687,876	19,535,115
Realised exchange losses	(25,044,089)	(6,803,734)
Release of provisions for unrealised exchange losses	10,873,337	2,647,960
Foreign exchange operations, net	17,517,124	15,379,341
Other financial income	63,075	617
Other financial charges	(27,426)	(67,082)
	9,126,607	38,594,838

4.6 *Result on disposals of financial assets*

On May 15, 2003, CLT-UFA sold all the shares held in Société Immobilière Bayard d'Antin S.A. to RTL Group Deutschland GmbH for an amount of EUR 1,5 billion, resulting in a gain of EUR 1,3 billion.



4.7 *Exceptional income*

The detail of this income is as follows:

	2002	2003
Reversal of exceptional operating provisions	3,063,165	-
Profit on fiscal integration	767,740	-
Merger gain	-	130,946,749
Other exceptional income	1,404,763	2,485,471
	5,235,668	133,432,220

Reversals mainly relate to provisions previously booked on restructuring projects that were completed during 2002.

As from January 1, 2001, CLT-UFA is part of a tax integration at the level of RTL Group S.A. including other Luxembourg group companies. As from January 1, 2003, the Company does not record any income tax profit / charge towards RTL Group S.A. anymore (Note 2.2).

Other exceptional income is mainly made of 131 million resulting from the merger of RTL 4 Holding S.A. within CLT-UFA on August 21, 2003.

4.8 *Exceptional charges*

The detail of this caption is as follows:

	2002	2003
Exceptional operating provisions and charges	1,676,858	192,892
Other exceptional charges	963,100	465,900
	2,639,958	658,792

Exceptional operating provisions and charges include provisions intended to cover losses in the strategic areas of CLT-UFA and risks on traditional activities, such as the audiovisual rights sector.



5 OFF-BALANCE SHEET COMMITMENTS

5.1 *Blocked deposits, guarantees, undertakings and other similar commitments*

CLT-UFA issued letters of guarantee and blocked deposits for loans in favour of its subsidiaries for 54 million (2002 – 59 million).

CLT-UFA has taken other commitments for an amount of 176 million (2002 – 179 million).

CLT-UFA has signed a commitment, together with the other unitholders of RTL2 GmbH & Co. KG, Munich and the other unitholders of RTL Disney Fernsehen GmbH & Co. KG, Cologne to cover the future losses of these companies, in proportion to their respective holding.

5.2 *Long term commitments*

CLT-UFA has signed commitments to purchase audiovisual rights for 3 million (2002 – 2 million).

CLT-UFA has signed multi-annual rental contracts for satellite transponders for a total amount of 9 million (2002 – 14 million).

5.3 *Licence agreement*

On January 16, 1995, the Government of the Grand-Duchy of Luxembourg and CLT signed a protocol agreement (the “protocol”) defining a global agreement to renew the CLT-UFA broadcasting licences until December 31, 2010. The terms of this protocol were implemented by legal acts and other procedures in 1995.

The protocol confirms the residence of CLT-UFA in Luxembourg and reinforces its link with the Grand Duchy of Luxembourg.

The protocol came into operation in January 1996 and was subsequently renegotiated following the contribution by Bertelsmann of its subsidiary UFA to CLT.

The amended protocol of December 16, 1996, while approving the CLT-UFA restructuring maintained the principles set out in the original protocol.

As the Luxembourg Government has the right to approve major changes in the shareholding of CLT-UFA, the combination with Audiofina and Pearson Television has led to the renegotiation of the amended protocol. The revised protocol signed with the Government on July 25, 2000 recognises that the new RTL Group structure does not directly affect the operations of CLT-UFA as a licence holder.

Under the revised protocol RTL Group and CLT-UFA will remain Luxembourg companies with their headquarters in Luxembourg although certain headquarters services such as programme production activities may be located outside Luxembourg. The structural and financial provisions of the revised protocol maintaining the principles agreed in the former protocols provide that CLT-UFA does not have to pay broadcasting licence fees but is responsible for and must provide funding for the Luxembourg public radio and TV service during the licence period up to a ceiling of 123.9 million over 15 years. CLT-UFA does this by bearing the cost of producing and operating the Luxembourg services RTL Radio Lëtzebuerg and RTL Télé Lëtzebuerg within certain financial limits.

**5.4 Outstanding forward currency and interest rate contracts**

As at December 31, 2003, CLT-UFA has outstanding forward currency contracts for a total amount of 74 million (2002 – 98 million) with RTL Group.

5.5 Commitments received

CLT-UFA has received commitments, mainly from its subsidiaries for an amount of 119 million (2002 – 92 million) and has outstanding forward currency for 74 million (2002 – 98 millions) with RTL Group.

6 DIRECTORS' FEES

In 2003, a total of 176,185 (2002 – 178,483) was allocated in the form of attendance fees to the members of the Board of Directors.

7 POST BALANCE SHEET EVENTS

CLT-UFA S.A. contributed all the assets and liabilities of its German branch, except shares held in RTL Disney Fernsehen GmbH & Co. KG, RTL 2 Fernsehen GmbH & Co. KG, RTL 2 Fernsehen Geschäftsführungs GmbH and IP Medien Vermittlung für Fernsehen GmbH & Co. KG, to RTL Group Deutschland GmbH in consideration of new shares issued by this company with an effective date as at January 1, 2004.

CLT - UFA S.A.

Société anonyme
45, boulevard Pierre Frieden
L-1543 LUXEMBOURG

RC Luxembourg N° B 6 139

Date de constitution : 19 novembre 1932,
(Mémorial C numéro 70 du 30 novembre 1932)

Capital social : 440.000.000 euros (libération à 100%)

Nombre d'actions: 19.311.367

Administrateurs – terme du mandat :

1. Gaston THORN, Avocat, demeurant à Luxembourg – terme du mandat : à l'issue de l'Assemblée générale statuant sur les comptes de l'exercice 2004.
2. Colette FLESCH, Député européenne, demeurant à Luxembourg – terme du mandat : à l'issue de l'Assemblée générale statuant sur les comptes de l'exercice 2004.
3. Raymond KIRSCH, Directeur général de la Banque et Caisse d'Epargne de l'Etat, Luxembourg, demeurant à Luxembourg – terme du mandat : à l'issue de l'Assemblée générale statuant sur les comptes de l'exercice 2004.
4. René STEICHEN, Avocat, Président de la SES, demeurant à Diekirch – terme du mandat : à l'issue de l'Assemblée générale statuant sur les comptes de l'exercice 2004.
5. Jacques SANTER, Député européen, demeurant à Luxembourg – terme du mandat : à l'issue de l'Assemblée générale statuant sur les comptes de l'exercice 2004.
6. Gerhard ZEILER, Administrateur délégué (*Chief Executive Officer*) de la CLT-UFA S.A., ayant son adresse professionnelle à L – 1543 Luxembourg, 45 boulevard Pierre Frieden– terme du mandat : à l'issue de l'Assemblée générale statuant sur les comptes de l'exercice 2004.
7. Alain FLAMMANG, Chief Executive Officer RTL Group Technical Division et de Broadcasting Center Europe S.A., ayant son adresse professionnelle à L – 1543 Luxembourg, 45 boulevard Pierre Frieden– terme du mandat : à l'issue de l'Assemblée générale statuant sur les comptes de l'exercice 2004.
8. Jean – Charles DE KEYSER, Directeur Belgique, Hollande et Europe de l'Est et Radio, ayant son adresse professionnelle à L – 1543 Luxembourg, 45 boulevard Pierre Frieden– terme du mandat : à l'issue de l'Assemblée générale statuant sur les comptes de l'exercice 2004.
9. Thomas RABE, Chief financial officer RTL Group, ayant son adresse professionnelle à L – 1543 Luxembourg, 45 boulevard Pierre Frieden– terme du mandat : à l'issue de l'Assemblée générale statuant sur les comptes de l'exercice 2004.

10. Alain BERWICK, Managing Director, ayant son adresse professionnelle à L – 1543 Luxembourg, 45 boulevard Pierre Frieden– terme du mandat : à l'issue de l'Assemblée générale statuant sur les comptes de l'exercice 2004.
11. Romain MANNELLI, Directeur des ressources humaines, ayant son adresse professionnelle à L – 1543 Luxembourg, 45 boulevard Pierre Frieden– terme du mandat : à l'issue de l'Assemblée générale statuant sur les comptes de l'exercice 2004.
12. Vincent de DORLODOT, General counsel, ayant son adresse professionnelle à L – 1543 Luxembourg, 45 boulevard Pierre Frieden– terme du mandat : à l'issue de l'Assemblée générale statuant sur les comptes de l'exercice 2004.

Administrateurs représentant le personnel :

13. Jean – Paul SCHMIT, employée privée, ayant son adresse professionnelle à L – 1543 Luxembourg, 45 boulevard Pierre Frieden– terme du mandat : à l'issue de l'Assemblée générale statuant sur les comptes de l'exercice 2004.
14. Christiane SCHREINER, employé privé, ayant son adresse professionnelle à L – 1543 Luxembourg, 45 boulevard Pierre Frieden – terme du mandat : à l'issue de l'Assemblée générale statuant sur les comptes de l'exercice 2004.
15. Gérard SCHNEIDER, employé privé, ayant son adresse professionnelle à L – 1543 Luxembourg, 45 boulevard Pierre Frieden – terme du mandat : à l'issue de l'Assemblée générale statuant sur les comptes de l'exercice 2004.
16. Marc HANSEN, employé privé, ayant son adresse professionnelle à L – 1543 Luxembourg, 45 boulevard Pierre Frieden– terme du mandat : à l'issue de l'Assemblée générale statuant sur les comptes de l'exercice 2004.
17. Bruno FERRARI, employé privé, ayant son adresse professionnelle à L – 1543 Luxembourg, 45 boulevard Pierre Frieden– terme du mandat : à l'issue de l'Assemblée générale statuant sur les comptes de l'exercice 2004.

Commissaire aux comptes :

KPMG Audit, réviseur d'entreprises, ayant son siège social à L – 2025 Luxembourg, 31, Allée Scheffer - terme du mandat : à l'issue de l'Assemblée générale statuant sur les comptes de l'exercice 2004.

Assemblée générale ordinaire du 21 avril 2004 – affectation du résultat :

Décision d'affecter comme suit le solde disponible des résultats reportés d'exercices antérieurs de 855.616.570.- euros, augmenté du résultat de l'exercice qui s'établit à 1.935.359.180.- euros soit au total 2.790.975.750.- euros :

Dividende :	54.071.828.- euros
Report à nouveau :	2.736.903.922.- euros
Total :	2.790.975.750.- euros

Le dividende brut attribué au titre de l'exercice 2003 aux titulaires de parts sociales se trouve ainsi fixé à 2,80 euros par part sociale, le dividende s'élevant en principe, en l'état actuel de la législation fiscale à 2,24 euros par part sociale.

Luxembourg, le 6 mai 2004.


Un mandataire

Enregistré à Luxembourg – Sociétés,

Le - 6 MAI 2004

Référence: LSO. AQ. 01268

Reçu (€):

Droit d'Enregistrement: 12.-€

Droit de timbre 64.-€

Total 76.-€

Le Receveur,

